

Do You Qualify?

Do You Qualify to Invest in Oil & Gas?

To **qualify as an investor** in the production of oil and gas you must show that you are an “accredited investor”.

The **U.S. Securities Act of 1933** states any company that offers or sells its securities as an investment *must first register the securities with the SEC, or find an exemption* from the registration requirements. The Act provides companies with a number of exemptions, which include selling its securities to **“accredited investors”**.

If you want to invest in Oil and Gas, the federal securities laws define the term “accredited investor” in Rule 501 of Regulation D as:

1. You are an **“accredited investor”** if you have an individual **net worth**, or joint net worth with your spouse exceeding **\$1 million** (excluding the value of your personal residence).
2. You are an **“accredited investor”** if you had an **annual income** in excess of **\$200,000** in each of the last two years, or a joint income with your spouse of more than \$300,000 during the last two years. And you expect to maintain the same level of income.
3. You are an **“accredited investor”** if you are a **partner, executive officer, or director** for the issuer of the security being offered.

*If you qualify under any of the above categories the U.S. Securities and Exchange Commission (SEC) considers you to be **“fully functional” as an investor** and **without all the restrictions** detailed in the Securities Act of 1933.*